



G. THOMAS SURTEES
Commissioner

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132

CYNTHIA UNDERWOOD
Assistant Commissioner
LEWIS A. EASTERLY
Secretary

September 16, 2005

TO: ALL PERSONS, FIRMS, AND CORPORATIONS making sales at retail and purchasing tangible personal property for use, storage, or consumption, or engaged in the business of leasing or renting tangible personal property, or engaged in the renting or furnishing of rooms, lodgings or accommodations to transients in the City of Satsuma, Alabama, and its police jurisdiction (located in Mobile County, Alabama).

Pursuant to Sections 11-51-200, et seq., Code of Alabama 1975, and the resolution 2005-08-01 adopted and approved by the City Council of Satsuma on August 16, 2005, the Alabama Department of Revenue will begin collecting the city sales, use, rental and lodgings taxes previously collected by the City of Satsuma. The Alabama Department of Revenue will begin collecting the **City of Satsuma sales, use, rental and lodgings taxes effective October 1, 2005**. Therefore, your last City of Satsuma sales, use, rental and lodgings tax returns filed with the City of Satsuma will be for the month of September 2005 due October 20, 2005.

The sales, use, rental and lodgings tax rates for the City of Satsuma are as shown below:

Sales & Use Tax Rates:

General Rate	3.5%
Admissions to places of amusement and Entertainment.....	3.5%
Retail Selling Price of food for human consumption sold through vending machines	4%
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products	2%
Machines and parts and attachments for machines used in manufacturing tangible personal property	2%
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers	1.5%

Rental Tax Rates:

General Rate	2%
Lease or rental of automotive vehicles, truck trailers, Semi-trailers and house trailers	2%
Lease or rental of linens and garments	2%

Lodgings Tax Rate	6%
--------------------------------	-----------

If sales or rentals are made and delivered to consumers or purchases made for use, storage, renting or other consumption, or engaged in the renting or furnishing of rooms, lodgings or accommodations to transients outside the corporate limits of the City of Satsuma but within the police jurisdiction, the rates of sales, use rental and lodgings taxes are one-half the rates shown above.

The Law requires that the City of Satsuma taxes be collected, reported and remitted in the same manner as the State Taxes. When you file and pay electronically, the City of Satsuma sales, use, rental and lodgings taxes are to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Simply enter the gross amount and deductions, and all calculations will be done automatically for you. You may file these taxes online through the Internet at www.revenue.alabama.gov/salestax/efiling.html, or through the telephone by calling toll free **1-800-828-1727**. Telephone-filers should use Locality Code 9139.

Please direct all questions regarding the City of Satsuma sales, use, rental and lodgings taxes to this office.

ALABAMA DEPARTMENT OF REVENUE
Sales, Use & Business Tax Division
P.O. Box 327710
Montgomery, Alabama 36132-7710
(334) 242-1490 or 1-866-576-6531